

DEPARTMENT OF THE CORPORATION COUNSEL

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September 3, 2004

SEP 7 10 51 IN '04
PUBLIC UTILITIES
COMMISSION

Public Utilities Commission State of Hawaii 465 South King St., Rm. 103 Honolulu, HI 96813

ATTENTION: Chief Clerk of the Commission

Re: <u>In the matter of PUBLIC UTILITIES COMMISSION Instituting</u> a Proceeding to Investigate Distributed Generation In Hawaii; Docket No. 03-0371

Dear Chief Clerk of the Commission:

Enclosed for filing is COUNTY OF MAUI'S SUPPLEMENTAL INFORMATION REQUESTS TO HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT COMPANY, INC., AND MAUI ELECTRIC COMPANY, LIMITED; AND THE STATE DIVISION OF CONSUMER ADVOCACY; CERTIFICATE OF SERVICE (Original + 12).

Please return the two (2) additional file-marked copies to this office. A self-addressed, stamped, envelope is enclosed for your convenience.

If you have any questions, please do not hesitate to contact me.

Sincerely,

INDY Y / YOUNG /

Deputy Corporation Counsel

CYY:ko
Enclosures
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DOCKET NO. 03-0371

In the Matter of)
PUBLIC UTILITIES COMMISSION)
Instituting a Proceeding to)
Investigate Distributed)
Generation in Hawaii.)

COUNTY OF MAUI'S SUPPLEMENTAL INFORMATION REQUESTS
TO HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC
LIGHT COMPANY, INC., AND MAUI ELECTRIC COMPANY, LIMITED;
AND THE STATE DIVISION OF CONSUMER ADVOCACY

CERTIFICATE OF SERVICE

DEPARTMENT OF THE CORPORATION COUNSEL 205

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Attorneys for Intervenor
COUNTY OF MAUI

DEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of)		
PUBLIC UTILITIES COMMISSION)))	DOCKET NO.	03-0371
Instituting a Proceeding to Investigate Distributed Generation in Hawaii.)))		
)		

COUNTY OF MAUI'S SUPPLEMENTAL INFORMATION REQUESTS
TO HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC
LIGHT COMPANY, INC., AND MAUI ELECTRIC COMPANY, LIMITED;
AND THE STATE DIVISION OF CONSUMER ADVOCACY

The following are the County of Maui's ("COM") Supplemental Information Requests ("SIRs") to Hawaiian Electric Company, Inc. ("HECO"), Hawaii Electric Light Company, Inc. ("HELCO"), and Maui Electric Company, Limited ("MECO"), collectively referred to as "HECO", and to the State Division of Consumer Advocacy ("CA"). The SIRs are designated as COM-(party)-SIR-(number).

Supplemental Information Requests to HECO

COM-HECO-SIR-1

Regarding the response to COM-HECO-DT-IR-11, please make the proposed protective order available for review prior to September 20, and make the documents available for review at HECO offices during the week of September 27.

COM-HECO-SIR-2

Regarding the response to COM-HECO-DT-IR-16, provide as requested any studies the Company has received on the capacity value of asavailable generation.

COM-HECO-SIR-3

Regarding the response to COM-HECO-DT-IR-33, please make the requested workpapers available for review at HECO during the week of September 27.

COM-HECO-SIR-4

Regarding the response to COM-HECO-DT-IR-35, why does the Company not consider the report entitled: DEMAND SIDE MANAGEMENT RECOMMENDATIONS FOR THE HAWAIIAN ELECTRIC COMPANY: PROGRAM, PRICING AND REGULATORY OPTIONS, Submitted to the Hawaiian Electric Company for Final Review: August 30, 2002, responsive to this request.

COM-HECO-SIR-5

Regarding the response to COM-HECO-DT-IR-40, the question may have been misunderstood. It did not ask about the recovery of embedded costs, it asked about the situation where the revenue losses (i.e., foregone tariff revenues, which may or may not equal embedded cost) are lower than Company <u>marginal</u> costs. Please respond to the question as clarified.

COM-HECO-SIR-6

Regarding the response to COM-HECO-DT-IR-42, provide the material relating to HELCO referenced in the response.

COM-HECO-SIR-7

Regarding the response to COM-HECO-DT-IR-51, provide a list of the customers on the HECO, HELCO, and MECO systems that have interconnection agreements that permit them to operate on-site generation in parallel with the utility system, and the size of on-site generating units for each customer, if known.

Supplemental Information Requests to the CA

COM-CA-SIR-8

The following request was not responded to in full.

COM-CA-DT-IR-54, reference CA-T-1, page 30, line 10: Provide all analyses prepared by or for the Consumer Advocate or by or for Sawvel identifying the capacity value of as-available generation for utilities.

In Docket 7310, the CA submitted a specific study on the capacity value of as-available generation. It is possible that the CA has had other analysis of this topic prepared. The request was not just for analyses prepared for this docket, but for any analyses prepared for the Consumer Advocate on the subject of the capacity value of as-available generation. This includes the analyses

prepared for Docket 7310, and any other analyses prepared since that time.

COM-CA-SIR-9

With reference to the response to COM-CA-DT-IR-55, Explain why Mr. Herz has not reviewed the studies prepared for the Consumer Advocate in Docket 7310. Was he not provided those analyses in the preparing to develop his testimony in this proceeding?

COM-CA-SIR-10

The following request was not responded to in full.

COM-CA-DT-IR-56, reference CA-T-1, page 30, line 10: Provide any analyses prepared by or for the Consumer Advocate of the actual performance of as-available energy resources during periods of capacity shortfalls on Hawaii utility systems.

In Docket 7310, the CA presented explicit analysis of the performance of as-available generators during periods of capacity shortfalls. We expected this analysis to be provided in response to this request. Provide the analysis prepared for the CA in Docket 7310, and any similar analysis prepared by or for the CA since that time.

COM-CA-SIR-11

Please clarify the response to COM-CA-DT-IR-65. If the utility owns the DG facilities at a customer premises, should the price paid by the customer be equal to the fully-allocated cost of the DG facilities, plus off-site services provided by the utility, or should the DG facilities be rolled into the utility's rate base, and the customer charged the otherwise applicable tariff rate (which might be greater or less than the cost of the service provided by the DG facilities plus off-site services on an unbundled tariff). The response to COM-CA-DT-IR-67 seems to imply that a separate calculation would be made for the cost of DG facilities, and charges applied based on those costs, while the response to COM-CA-DT-IR-65 seems to imply that customers would pay tariff rates for power. As we understand it, HECO is proposing that DG customers pay LESS than the tariff rate, and a rate that is NOT based on the cost of DG facilities. Please clarify exactly what treatment the CA is proposing be applied.

DATED: Wailuku, Maui, Hawaii, September 3, 2004.

BRIAN T. MOTO Corporation Counsel Attorney for Intervenor COUNTY OF MAUI

By

CINDY

Deputy Corporation Counsel

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing document were duly served upon the following by electronic mail and by United States mail, postage prepaid, on September 3, 2004, addressed as follows:

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DEPARTMENT OF COMMERCE AND
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DATED: Wailuku, Maui, Hawaii, September 3, 2004.

BRIAN T. MOTO Corporation Counsel Attorney for Intervenor COUNTY OF MAUI

Deputy Corporation Counsel